

LNF & IHCIF Calculations Illustration - JICARILLA in Albuquerque area -

Given Data

- 3,697 = 1998 user count
- \$2,980 = National average cost per person (not including wrap-around costs)
- 29% = % Expenditures on purchased services, 71% = % expenditures in-house
- 91.2% = Cost index for purchasing health care in this geographic area
- 117.0% = Size cost index for in-house costs due to small or large size
- 97.9% = Albuquerque area cost index for health status above or below average

Cost Adjustment Calculations

- \$791 per person for purchased services = $29\% * 91.2\% * \$2,980$
- \$2,472 per person for in-house services = $71\% * 117.0\% * \$2,980$
- \$3,262 per person total = \$791 (purchase) + \$2,472 (in-house)
- **\$3,195 per person total** adjusted for health status = $\$3,262 * 97.9\%$
- **\$2,450 per person net cost** = $\$3,195 - \745 Other resources (M&M&PI)

Existing Expenditures (for 3,697 users excluding wrap-around and collections)

- \$830 per person = local IHS allowance (excludes \$ for wrap-around)
- \$162 per person = expenditures elsewhere in Albuquerque area on behalf of area users
- \$54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **\$1,046 per person for OU users** = $\$830 + \$162 + \$54$

LNF Calculation

- **32.7% Gross LNF** = $\$1,046$ (expenditures) / $\$3,195$ total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **42.7% Net LNF** = $\$1,046 / \$2,450$ net cost ($\$3,195 - \745 other)

IHCIF Allocation

- \$1,567,054 = \$ to raise LNF% from 42.7% to 60%
- \$258,040,100 = aggregate \$ to raise all locations to 60%
- 3.488% IHCIF fraction = $\$9,000,000$ fund / $\$258,040,100$ needed
- **\$54,659 Allocation** = $\$1,567,054$ needed for 60% * 3.488% IHCIF fraction

JICARILLA Unmet Needs

- **\$9,056,647 Net Total Need** = 3,697 users * \$2,450 net cost
- **\$5,189,713 Net Unmet Need** = $(100\% - 42.7\% \text{ LNF}) * 3,697 \text{ users} * \$2,450 \text{ net cost}$